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DENMARK'S TOBACCO IMPORTS UP

Denmark's duty-paid imports of unmanufactured tobacco rose to 28.5 million pounds in 1959 from 24.8 million in 1958--an increase of 15 percent. This reflects both larger tobacco consumption and rebuilding of manufacturers' stocks.

Imports from the United States last year, at 13.5 million pounds, were 12 percent greater than in 1958, and accounted for 47.3 percent of the total. The U. S. share of the Danish market, however, was 48.6 percent in 1958 and 52.0 percent in 1957. Purchases from Brazil showed the largest increase, rising from 4.1 million pounds in 1958 to 6.1 million last year. The Rhodesias and Nyasaland furnished 2.3 million pounds in 1959--a drop of 9 percent from 1958. Purchases from Indonesia--another major supplier--also were smaller.

TOBACCO, UNMANUFACTURED: Denmark, duty-paid imports, by country of origin, 1957-59

Country of origin	1957	1958	1959
	1,000 pounds	1,000 pounds	1,000 pounds
United States	13,121	12,027	13,475
Brazil	5,408	4,056	6,088
Indonesia	3,112	3,881	3,696
Rhodesias-Nyasaland	1,838	2,581	2,349
Turkey	264	438	435
India	390	504	399
Cuba	171	246	345
Thailand	223	123	306
Others	696	916	1,410
Total	25,223	24,772	28,503
Percent U. S.	52.0	48.6	47.3

Danish Statistical Department.

MEXICAN CIGARETTE OUTPUT CONTINUES TO RISE

Mexico's output of cigarettes continued its steady uptrend in 1959, rising to about 39 billion pieces--up 5 percent from 1958. Forecasts place the 1960 output at close to 41 billion. Mexico is now the third-largest cigarette-manufacturing country in the Western Hemisphere, after the United States and Brazil. Production of other tobacco products in Mexico remained about the same in 1959 as in 1958, with cigars totaling 33 million pieces, and cut tobacco for pipes and "roll-your-own" cigarettes at about 475,000 pounds.

CUBAN TOBACCO EXPORTS
STABLE IN 1959

Cuba's 1959 exports of unmanufactured tobacco, at 58.4 million pounds, were 1 percent less than in 1958.

Exports to the United States, Uruguay, and Canada were up substantially. Purchases by the Netherlands remained about the same. Exports to Spain, however, dropped more than 50 percent. Shipments to West Germany, the Canary Islands, and Belgium also declined.

The value of Cuban leaf exports, at $42.6 million in 1959, was 8 percent greater than in the previous year. The average price per pound increased from 67 cents to 73 cents.

Cuba exported 70.3 million cigars in 1959--12 percent less than the 79.9 million shipped out in 1958. Exports to Spain dropped sharply while those to the United States, the United Kingdom, Venezuela, Switzerland, and the Union of South Africa increased slightly.

TOBACCO, UNMANUFACTURED: Cuba, exports by country of destination, 1957-1959

Destination	1957	1958	1959
	1,000 pounds	1,000 pounds	1,000 pounds
United States	31,665	35,037	39,219
Netherlands	3,681	4,092	4,002
Spain	9,051	8,568	3,958
Canary Islands	1,844	3,056	2,625
Germany, West	2,640	2,645	1,835
Uruguay	1,015	375	1,521
Canada	468	477	732
Belgium	712	874	700
Switzerland	491	450	449
Other	3,886	3,306	3,376
Total	55,453	58,880	58,417

CIGARETTE OUTPUT UP
SHARPLY IN PAKISTAN

Cigarette output in Pakistan, at 6,369 million pieces during the first 9 months of 1959, was 17 percent greater than the 5,426 million for the comparable period in 1958. At this rate, cigarette output in Pakistan for 1959 probably totaled about 8,750 million pieces, compared with 7,468 million in 1958.

AUSTRALIAN SHIP SAILS WITH BEEF FOR U.S.

The ship Pioneer Glen left Australia May 17 with 934,080 pounds of frozen beef--817,600 pounds for New York, 89,600 pounds for Boston, and 26,880 for Chicago. These cities are the location of the purchaser; in some cases the meat may be sold in other areas. The Pioneer Glen was previously reported as scheduled to sail May 12 with 134,000 pounds of frozen beef for the U.S. (see *Foreign Crops and Markets*, May 9, 1960).

IRANIAN SOAP CONSUMPTION AND TALLOW IMPORTS RISING SHARPLY

Consumption of soap in Iran during the past 3 years has been increasing very sharply. From 1957 to 1959, consumption rose 194 percent--from 37.5 million pounds to 110.2 million pounds. Consumption during 1960 is estimated at 123.5 million pounds.

With this increase in soap consumption, and production, imports of tallow from the United States have also been increasing sharply. During 1957, the United States exported only 3.5 million pounds of inedible tallow and greases to Iran, while 1959 shipments amounted to 29.6 million pounds. Tallow shipments during the first quarter of 1960 were 35 percent above the comparable period of last year. All Iranian tallow imports are reportedly used to make soap.

NEW ZEALAND WOOL PRODUCTION EXPECTED TO RISE 29 PERCENT BY 1969

The New Zealand Meat and Wool Board recently forecast wool production at 655 million pounds, grease basis, by 1964-65 (July-June) and at 730 million pounds by 1969-70. This assumes an increase of 3 percent per annum during the next 5 years and 2 percent annually during 1965-69.

This is a lower rate of rise than in recent years, and indicates a future slackening of expansion in the New Zealand sheep industry. In the past 10 years, New Zealand wool output has risen 45 percent to an estimated 565 million pounds in 1959-60, largely because of substantial pasture improvement resulting particularly from aerial fertilization.

New Zealand is the world's third largest wool producer and the largest producer of crossbred (coarser than 60's) wool. Exports go mainly to the United Kingdom, the United States, and France. U.S. imports are mainly coarse wools for the carpet industry (see FAS-M-72, *The World Carpet Wool Situation and its Relation to World Wool Production*, December 1959).

U. S. TALLOW AND GREASE EXPORTS SET NEW FIRST-QUARTER RECORD

U. S. exports of inedible tallow and greases during the first quarter of 1960 were 457 million pounds. This was a record for first-quarter shipments--23 percent above the previous high in the same period of 1956, and 45 percent above last year. Shipments to all areas were substantially above a year earlier. Increased U. S. supplies and the low price of tallow, in relation to competitive fats and oils, were responsible for the rise.

The Netherlands replaced Italy as the largest market for U. S. tallow and grease during the first quarter, with Japan again second. Exports to the Netherlands and Japan were up 86 and 55 percent, respectively, while shipments to Italy were 5 percent below last year. Shipments to most other major markets were up from last year, particularly those to Western Europe.

INEDIBLE TALLOW AND GREASES 1/: U.S. exports, by country of destination, average 1951-55, annual 1958 and 1959, January-March 1959 and 1960

Continent and country	Average 1951-55	1958	1959 2/	January-March 1959 2/	January-March 1960 2/	Increase or decrease (-) 1960
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
North America:						
Canada	23,782	21,770	21,203	3,574	4,658	+1,084
Mexico	43,659	49,771	15,743	939	1,710	+771
El Salvador	3,842	1,017	2,522	341	2,708	+2,367
Guatemala	3,693	8,659	8,249	1,709	2,537	+828
Cuba	30,356	33,529	36,125	8,684	7,546	-1,138
Dominican Republic	3,709	4,176	5,644	913	1,636	+723
Other	6,623	7,919	9,171	1,772	3,171	+1,399
Total	115,664	126,841	98,657	17,932	23,966	+6,034
South America:						
Chile	6,097	236	2,085	83	67	-16
Colombia	15,140	17,928	23,514	3,320	5,609	+2,289
Ecuador	6,124	9,446	9,387	2,579	3,332	+753
Peru	9,769	6,879	8,751	971	871	+100
Other	4,574	7,234	11,700	2,300	2,796	+496
Total	41,704	41,723	55,437	9,253	12,675	+3,422
Europe:						
Austria	6,897	3,246	3,122	332	336	+4
Belgium-Luxembourg	61,071	24,281	46,188	6,406	16,431	+10,025
France	10,913	142	14,710	--	16,161	+16,161
Germany, West	87,515	32,988	81,886	13,433	24,734	+11,301
Ireland	6,126	79	1,771	--	--	--
Italy	137,080	260,914	292,856	82,574	78,253	-4,321
Netherlands	139,534	139,623	265,500	50,199	93,394	+43,195
Norway	3,346	1,006	1,281	544	1,274	+730
Spain	3/ 1,741	1,392	9,957	330	8,229	+7,899
Switzerland	33,485	7,586	12,427	2,334	959	-1,375
United Kingdom	10,973	5,180	15,579	4,465	8,322	+3,857
Poland	4/ 5,694	34,597	52,577	9,631	19,608	+9,977
Yugoslavia	19,053	31,828	17,054	3,946	4,463	+517
Other	8,838	7,653	10,121	2,863	3,911	+1,048
Total	532,266	550,515	825,029	177,057	276,075	+99,018
Africa:						
Egypt	34,408	71,010	49,806	9,213	8,509	-704
Rhodesia-Nyasaland	4,740	52	654	224	2	-222
Union of South Africa	52,211	28,208	48,252	9,377	11,624	+2,247
Other	4,593	13,374	15,522	2,733	5,510	+2,777
Total	95,952	112,644	114,234	21,547	25,645	+4,098
Asia:						
China, Taiwan	15,434	19,408	28,194	9,441	5,123	-4,318
Iran	3/ 3,826	11,028	29,586	7,135	9,661	+2,526
Japan	161,025	216,858	263,852	57,886	89,440	+31,554
Korea	9,283	16,589	19,207	10,667	7,859	-2,808
Philippines	11,104	12,555	15,508	3,234	3,891	+657
Other	9,116	11,283	14,568	1,402	2,595	+1,193
Total	209,788	287,721	370,915	89,765	118,569	+28,804
Total world	995,376	5/ 1,119,444	5/ 1,464,274	6/ 315,940	456,936	5/ +140,996

1/ Includes inedible tallow, animal greases and fats, animal oils, n.e.s., oleic acid or red oil and stearic acid. 2/ Preliminary. 3/ 1955 only. 4/ Less than a 5 year average. 5/ Includes small quantities to Australia. 6/ Includes 386,000 pounds, destination unknown.

Bureau of the Census.

U.S. EXPORTS OF SAUSAGE CASINGS DOWN IN FIRST QUARTER

Total U.S. exports of natural sausage casings declined slightly during the first quarter of 1960 compared with a year earlier. Shipments of hog casings were higher, while exports of other animal casings (mainly beef) declined. Reduced demand for natural casings--particularly in West Germany--was responsible for the drop.

Shipments of hog casings to the Netherlands, Australia, and New Zealand were substantially below last year but exports to Switzerland and Spain increased. Exports of other animal casings to Switzerland, one of the largest buyers, also increased sharply.

SAUSAGE CASINGS, NATURAL: U.S. exports by country of destination, annual 1957-59 and January-March 1959-60

Destination	Annual			January-March		
	1957	1958	1959	1959	1960	Increase or decrease (-) 1960
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Hog casings:						
Canada	88	23	103	18	62	44
United Kingdom	2,617	3,106	3,977	804	824	20
Netherlands	852	650	1,016	217	173	-44
Belgium	650	545	896	158	214	56
Germany, West	1,004	769	1,351	254	253	-1
Switzerland	336	207	452	56	185	129
Spain	620	634	601	29	156	127
Union of South Africa	371	411	430	120	137	17
Australia	935	1,061	1,076	262	200	-62
New Zealand	633	546	661	226	112	-114
Other	296	327	454	121	26	-95
Total	8,402	8,279	11,017	2,265	2,342	77
Other animal casings 1/:						
Canada	361	303	293	77	95	18
Cuba	182	133	125	21	44	23
Sweden	59	29	25	16	4	-12
Norway	774	761	634	52	17	-35
Denmark	45	56	115	17	4	-13
United Kingdom	178	151	285	37	98	61
Netherlands	1,243	320	352	93	59	-34
Belgium	579	198	199	25	55	30
Germany, West	2,511	1,650	1,783	476	241	-235
Switzerland	1,634	1,499	1,685	295	484	189
Spain	2,394	3,063	1,629	402	321	-81
Other	150	245	269	73	65	-8
Total	10,110	8,408	7,394	1,584	1,487	-97

1/ Casings not elsewhere classified, mainly beef.
U.S. Bureau of Census.

ARGENTINE MEAT MEAL EXPORTS REVERSE DOWNWARD TREND

Argentine meat meal exports, which fell to very low levels in 1959, rose sharply in the first quarter of 1960. January-March shipments totaled 6.9 million pounds, compared with 675,000 pounds during the first quarter of 1959. The low level of early 1959 reflected the uncertainties over prices, export taxes, and exchange rates during this period. The present index value of meat meal exports--from which export taxes are calculated--is considerably below the f.o.b. value, which makes it more favorable to export.

Present f.o.b. price, Buenos Aires, of meat meal (60 to 65 percent protein) is about $4.00 per hundred pounds. Principal foreign markets are Italy and the Netherlands.

MEAT MEAL: Argentine exports by country of destination, annual 1957-59, January-March 1959 and 1960

Country of destination	Annual			January-March	
	1957	1958	1959	1959	1960
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Italy	6,767	8,984	6,763	498	4,169
Netherlands	6,633	1,239	2,454	173	1,871
Germany	4,939	441	1,147	---	---
Denmark	1,521	992	863	---	---
United Kingdom	3,747	1,984	337	---	---
Belgium	4,516	3,938	---	---	402
Others	1/16,862	1/6,085	512	4	441
Total	44,985	23,663	12,076	675	6,883

1/ Includes shipments not designated by destination.

Frutos del Pais.

COLOMBIA WILL EXCHANGE COFFEE FOR FINNISH WOOD PULP

A new paper plant being built at Pereira, in the Department of Caldas, Colombia, will use Finnish wood pulp to be supplied in exchange for Colombian coffee. The plant expects to begin production in 1961.

In recent years Colombia's coffee exports to Finland have amounted to less than 1 percent of total Colombian coffee exports. Finland's total coffee imports have been running slightly above ½ million bags per year, less than 10 percent of which have been from Colombia.

BRAZIL TO TRADE COFFEE FOR RUSSIAN WHEAT

The Brazilian Coffee Institute, the Brazilian Wheat Consultive Commission, and the Bank of Brazil reportedly have completed arrangements to exchange about 20,000 tons of Brazilian coffee for 150,000 tons of Russian wheat (valued at $10 million) to be delivered in July, August, and September. The wheat must be of guaranteed good quality.

PERU UNIFIES EXCHANGE

By Supreme Decree of May 17, 1960, the Government of Peru suspended the foreign exchange certificate system which had been in effect since 1948. Thus, Peru now has a unified exchange market with a fluctuating rate of exchange. The certificate and free market selling rates for dollar exchange had recently held steady at 27.70 and 27.80 soles to the dollar, respectively.

According to a statement by the Central Bank, the decision to suspend the use of certificates was made at this time because of the favorable foreign exchange outlook. The use of export licenses, which were employed in order to enforce the certificate system, has also been suspended.

MEXICO's RICE CROP REDUCED

Mexico's rice harvest in 1959-60 (August-March) is now estimated at 5,200,000 cwt. (100 pounds) of rough rice. This is 10 percent below the previous estimate of 5,750,000 cwt., and is less than the record output of 5,550,000 cwt. in 1958-59. A sharp decline in the Veracruz crop offset increased output in the States of Sinaloa and Sonora.

The revised acreage estimate for 1959-60, at 297,000 acres, is only slightly lower than 299,000 in 1958-59. It is, however, 26 percent above the average from 1950-51 through 1954-55.

Instead of exporting rice in 1960, Mexico will be importing substantial quantities. The government has authorized milled rice imports of 66,138 cwt., and additional imports may be authorized to prevent further increases in the price of rice.

Rice prices rose in the first 4 months of 1960. The average wholesale price of milled rice at Mexico City in April was 2.55 pesos per kilogram ($9.26 per cwt.), or 17 percent higher than in April 1959.

Next season's rice acreage is forecast at around 340,000 acres--14 percent larger than that of the recent harvest. The outlook for 1960-61 is for increases in most districts. Sinaloa, for instance, is expected to put 25 percent more acreage into rice.

PORTUGAL REPORTS SMALLER WHEAT CROP

Portugal's 1960 wheat crop is forecast at 16.7 million bushels. This is about 13 percent below last year's outturn and is only a little more than half the record crop in 1958. Lower prospects for all grains this year mainly reflect adverse winter weather. Preliminary estimates place current wheat acreage about 3 percent below the 1959 acreage.

U.K. GRAIN PROSPECTS GOOD

Recent rains have greatly improved grain prospects in the United Kingdom, and the present outlook is for good outturns. Dry conditions earlier had slowed growth of grains. The rains also enhanced prospects for hay.

ARGENTINE CORN EXPORTS HIGHEST IN 12 YEARS

Argentine corn exports during the marketing year ending March 31, 1960, totaled 107 million bushels--the largest amount exported since 1947-48, when 112 million bushels were shipped abroad. A bumper harvest in the spring of 1958, followed by another good harvest in 1959, increased Argentina's export availabilities.

Prior to 1940, Argentina was the world's largest corn exporter. Only occasionally were its exports outranked by the United States. In postwar years, Argentina has almost constantly been exceeded by the United States in corn exports.

The size of the crop now being harvested will largely determine export availabilities during the current marketing year, which began in April. However, if the volume of exports during April (10.9 million bushels, compared with 2.6 million during April 1959) continues for a few months, exports during 1960-61 will exceed last year's level.

Argentine corn exports in recent years are compared below with the prewar average.

Year beginning April 1	1,000 bushels
Averages:	
1934-38	251,857
1949-53	29,773
Annual:	
1957	31,198
1958	80,907
1959	107,177

WORLD BUTTER AND CHEESE PRICES: Wholesale prices at specified markets, with comparisons
(U. S. cents per pound)

Country, market, and description	Butter				Cheese			
	1960	Quotations: Current	Quotations: Month earlier	Quotations: Year earlier	1960	Quotations: Current	Quotations: Month earlier	Quotations: Year earlier
United Kingdom (London)								
New Zealand, finest	Apr.28	36.2	38.7	36.2	—	—	—	—
Australian choicest	Apr.28	35.9	38.4	36.1	—	—	—	—
New Zealand, finest white	—	—	—	—	Apr.28	28.9	28.9	36.4
Australian choicest white	—	—	—	—	Apr.28	26.4	27.6	35.1
Australia (Sydney)								
Choicest butter	Apr.28	48.5	48.5	48.5	—	—	—	—
Choicest cheddar	—	—	—	—	Apr.28	29.2	29.2	29.2
Irish Republic (Dublin)								
Creamery butter	Apr.28	58.3	54.8	54.8	—	—	—	—
Cheese	—	—	—	—	Apr.28	32.5	30.8	30.8
Denmark (Copenhagen)	Apr.21	34.9	40.2	39.6	—	—	—	—
France (Paris)								
Charentes creamery	Apr.29	67.5	64.8	64.9	—	—	—	—
Germany (Kempten)								
Markenbutter	Apr.27	62.3	63.1	66.7	—	—	—	—
United States								
92-score creamery (N.Y.)	Apr.22	59.0	59.0	59.0	—	—	—	—
Cheddar (Wisconsin)	—	—	—	—	Apr.22	33.5	36.2	32.4
Netherlands (Leeuwarden)								
Creamery butter	Apr.21	-	42.0	38.4	—	—	—	—
Full cream Gouda	—	—	—	—	Apr.22	20.5	20.6	21.5
Edam, 40 percent	—	—	—	—	Apr.22	18.4	18.5	20.6
Belgium (Hasselt)	Apr.28	74.0	73.9	73.5	—	—	—	—
Canada (Montreal)								
1st grade creamery	Apr.23	65.8	67.3	65.3	—	—	—	—
Ontario white	—	—	—	—	Apr.23	32.1	32.6	35.9

Source: Intelligence Bulletin, the Commonwealth Economic Committee; and the Dairy Division, Agricultural Marketing Service, USDA.

URUGUAYAN BEEF EXPORTS RISE SHARPLY

Uruguay's cattle slaughter is now running at the highest rate in recent years and record beef exports are likely this year.

A severe drought during the past few months in Uruguay's main range areas, coupled with rising cattle prices because of increased export demand, are major reasons for the heavy slaughter.

The sharply increased export demand is due to attractive beef prices on the U.K. market because of short supplies. Principal British meat suppliers such as Australia, New Zealand, and Ireland have diverted much of their beef exports to the United States since 1959. Argentina's exports to the United Kingdom have been low for some time because of reduced export production. A month-long export packing plant strike in April and May completely stopped Argentine exports during that period. The ships that normally transported Argentine beef to Britain were diverted to nearby Uruguay for cargo during that time.

Other important factors in the greater export activity are the recent change in the exchange rate (from 6.78 pesos to 11 pesos per dollar) and a reduction in the export retention tax on beef (from 30 percent to 5 percent ad valorem).

The price for "Special" grade steers (roughly comparable to U.S. top Utility) was 7-3/4 cents per pound in January 1960 and 9 cents per pound in April. The price for "Regular" grade cows (roughly comparable to U.S. Canner and Cutter grades) was 5 cents per pound in January and 7 cents per pound in April. The 1951-55 average prices were 3-1/4 cents per pound for "Special" steers and 2-1/3 cents per pound for "Regular" cows.

Uruguayan beef and veal production was about 570 million pounds in 1959, compared with a 1951-55 average of 650 million pounds. Beef and veal exports totaled 73 million pounds in 1959, against 122 million pounds in 1951-55.

Slaughter of sheep and lambs, of secondary importance in the Argentine livestock and meat industry, has also been increasing from the low 1959 levels. Lamb and mutton production, at about 103 million pounds in 1959, was considerably lower than in recent years, and the 1951-55 average of 133 million. Lamb and mutton exports also fell to a very low level in 1959. Both production and exports, however, are expected to increase in 1960.

The United States imported about 9 million pounds of canned and corned beef and 4 million pounds of lightly salted boneless beef from Uruguay in 1959. First-quarter 1960 imports were only 900,000 pounds; because of the U.S. ban on uncured meats from countries having foot-and-mouth disease, almost all of these imports were canned and corned beef.

The sharply increased slaughter rate in Uruguay would indicate a rather sharp decline in cattle numbers; however, it is believed that much of the cattle being slaughtered would normally have been marketed in Brazil if Uruguayan prices had not risen above prices there. Therefore, the slaughter rate is not expected to effect much change in numbers; they are expected to hold up this year and perhaps increase some in 1961, after a slight downtrend since 1951.

The export demand, favorable prices, improved exchange rate, and reduced export taxes are expected to continue through 1960, and producers are now more optimistic than in many years.

The present condition of Uruguay's livestock and meat industry indicates that producers are willing to make investments to improve pastures and modernize management techniques. More emphasis on developing export markets can be expected even if the shortage in the British market is relieved in coming months. Renewal of Uruguayan competition in the British market could tend to encourage Australia, New Zealand, and Ireland to look more to other markets, particularly the United States, as outlets. At the same time, Uruguay is likely to offer increasingly stiff competition in markets which now buy meat and livestock products (such as variety meats and hides and skins) exported by the United States; however, the impact of this increased competition probably will not be felt for 2 to 3 years, as it will take that long for a major buildup in numbers.

If Uruguay's efforts to eradicate foot-and-mouth disease are successful, the country should be able to expand considerably its world outlets for fresh beef.

FOREIGN FREE WORLD COTTON USE, IMPORTS, AND STOCKS INCREASE

Aggregate cotton consumption and imports in principal foreign Free World importing countries have increased 12 and 29 percent, respectively, this season compared with a year earlier. Stocks in these countries (excluding India, Italy, and Spain) increased about 0.6 million bales (500 pounds gross) from beginning stocks on August 1, 1959.

Both consumption and imports are up in 14 of the 17 countries listed in the accompanying table (page 14). Stock buildups have occurred in most countries, with largest increases in Japan, France, West Germany, and the United Kingdom.

Conditions continue favorable for substantially higher total consumption and imports this season in most countries. Inventories of finished goods are no longer burdensome, domestic and export sales of textiles have increased, and mills generally have orders booked well ahead.

COTTON: Consumption, imports, and current stocks in principal foreign Free World importing countries, for specified periods of 1958-59 and 1959-60 1/

(Bales of 500 pounds gross)

Country	Reporting period	Consumption 1958-59	Consumption 1959-60	Imports 1958-59	Imports 1959-60	Stocks Aug. 1 1959	Stocks Current (computed)	Change in stocks since Aug. 1, 1959
		1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales
Austria	Aug-Mar	75	78	71	85	26	33	+7
Belgium	Aug-Dec	148	174	163	184	116	126	+10
Canada	Aug-Jan	176	163	126	156	61	54	-7
Denmark	Aug-Feb	21	25	19	31	9	15	+6
Finland	Aug-Apr	51	66	56	74	23	31	+8
France	Aug-Feb	670	793	662	917	250	374	+124
Germany, West	Aug-Jan	688	738	591	836	320	418	+98
Hong Kong	Aug-Jan	144	149	151	167	56	74	+18
India	Aug-Dec	1,850	1,877	102	144	1,810	2/ 3,288	3/
Italy	Aug-Jan	407	474	364	400	200	4/ 161	3/
Japan	Aug-Mar	1,520	1,882	1,464	2,065	680	863	+183
Netherlands	Aug-Feb	196	206	170	236	82	112	+30
Portugal	Aug-Feb	121	127	155	155	69	97	+28
Spain	Aug-Jan	255	246	240	2	250	5/ 281	3/
Sweden	Aug-Feb	81	82	68	76	79	73	-6
Switzerland	Aug-Mar	110	130	105	163	98	131	+33
United Kingdom	Aug-Mar	832	880	663	965	401	486	+85
Total		7,345	8,090	5,170	6,656	4,530	6,617	
Total excluding India, Italy & Spain		4,833	5,493	4,464	6,110	2,270	2,887	+617

1/ Preliminary and partly estimated. 2/ Includes crop of 3,300,000 bales minus exports of 89,000 bales. 3/ Not calculated because of domestic cotton crop. 4/ Includes crop of 35,000 bales. 5/ Includes crop of 275,000 bales.

ARGENTINA HAS SMALLER PEANUT CROP

The first official estimate of Argentina's 1959-60 peanut crop is 216,275 short tons, a drop of one-fifth from 1958-59. Most of the decline is attributed to a reduction in acreage sown this year. Trade sources expect that most of the peanut oil produced from the 1959-60 crop will be exported, since the estimated outturn of sunflower seed oil and cottonseed oil probably will supply domestic demand.

1960 BRAZIL NUT CROP ESTIMATE REDUCED

The 1960 Brazil nut crop is now estimated at 31,000 short tons, a 4,000-ton reduction from an April estimate. Adverse weather in the State of Amazonas reduced the crop estimate there to 5,500 tons; however, the estimate remains at 17,500 tons for the State of Para, 7,000 tons for other areas, and 1,000 tons for imports from Bolivia.

The 1960 Brazil nut crop estimate is 7,000 tons above the 1959 crop but still well below the 43,500-ton 1958 crop. Average (1953-57) production is 38,800 tons. Supply and distribution, 1958, 1959, and estimated 1960, is shown below.

Items	1958	1959	Estimated 1960
	Short tons	Short tons	Short tons
Beginning stocks, January 1	2,200	1,000	1,500
Production	43,500	24,000	31,000
Total Supply	45,700	25,000	32,500
Exports	43,200	22,300	31,500
Domestic consumption	1,500	1,200	1,000
Ending stocks, December 31	1,000	1,500	0
Total distribution	45,700	25,000	32,500

Quality of the 1960 crop is considered to be good by the Brazilian trade. Exports are expected to reach 31,500 tons. In 1958 and 1959, Brazil nut exports totaled about 43,200 and 22,300 tons, respectively.

Because of the smaller production in Amazonas, exporters have had to change their normal purchasing patterns. Manaus exporters are reported to be buying the production in the Acre territory, which reportedly caused Belem exporters to purchase the Tocantin production. In late May the water level of the Tocantin River was reported to be high enough to allow transportation of the picked nuts.

Prices of Brazil nuts have increased materially as the season has progressed. Export prices, f.o.b. Belem, as of mid-May, were reported as follows: shelled, 70 cents per pound; unshelled dehydrated, 30 cents per pound; and unshelled natural, 23 cents per pound.

EGYPTIAN ONIONS ARRIVING IN CUBA

Shipments of Egyptian onions are now arriving in Havana. A total of 370,000 bags arrived during the period May 27 to June 1. An additional 530,000 bags, expected to arrive during the latter part of June, will complete the 900,000 bags called for under the Cuban-UAR Trade Agreement.

All shipments are in bags of 55 pounds and are being assigned to INRA at a landed cost of $2.19 per bag. Distribution is now being made to the trade in small lots, but the bulk of the imports will be stored for consumption later this year.

AUSTRIAN IMPORTS OF
COTTON RISE SHARPLY

Imports of cotton into Austria during the first 8 months (August-March) of the current season were 85,000 bales (500 pounds gross)--up 20 percent from the 71,000 bales imported in the same 1958-59 period.

Although the United States is still the largest single supplier, the U.S. share of the Austrian market declined from 36,000 bales or 51 percent of total imports during the first 8 months of 1958-59 to 28,000 bales or 33 percent this season. Austrian importers reportedly received more favorable credit and trade arrangements from some other sources.

Quantities imported from non-U. S. sources during August-March 1959-60, with comparable 1958-59 figures in parentheses, were: Egypt 12,000 bales (2,000); Peru 10,000 (6,000); U.S.S.R. 9,000 (8,000); Syria 9,000 (151); Mexico 7,000 (5,000); Sudan 3,000 (41); Brazil 2,000 (1,000); and Turkey 2,000 (1,000).

Consumption of an estimated 78,000 bales during the first 8 months of this season was 4 percent above the 75,000 used in the same period a year earlier. Activity in textile mills has been at favorable levels in recent months, with some mills reporting order books filled into this fall. Total consumption this season is expected to be somewhat above the 112,000 bales used last season, and could equal the record 119,000 bales used in 1957-58.

Cotton stocks on March 31, 1960 were estimated at 33,000 bales, compared with opening stocks of 26,000 on August 1, 1959.

PORTUGAL USING MORE COTTON

Consumption of cotton in Portgual during the first 7 months (August-February) of the current season amounted to an estimated 127,000 bales (500 pound gross). This was 5 percent above the 121,000 bales used in the corresponding period a year earlier.

Although the strong domestic demand for cotton goods has been well maintained, much of the increase in consumption resulted from larger textile exports, which were stimulated by the export equalization payment program. Under this program the government pays exporters an amount based on the difference between mill production costs when using Portugues African cotton, which they are required to buy, and the calculated costs if they purchased cotton at world market levels.

Total consumption in 1959-60 is expected to be moderately above the 210,000 bales used last season, continuing the uptrend of recent years.

Cotton imports during August-February equaled the 155,000 bales imported in the same period of 1958-59. The Portugues areas of Mozambique and Angola suppled most of the August-February imports. Small quantities were received from Mexico, Egypt, Sudan, and the United States. The increasing rate of mill activity in Portugal has nearly depleted supplies from the 1959-60 Mozambique and Angola crops. Since cotton from the 1960-61 provincial crops will not begin reaching Portuguese mills in volume until the fall of 1960, Portugal will have to import more cotton from other countries during the next few weeks. According to trade sources, cotton imports from non-provincial areas may total about 50,000 bales (Foreign Crops and Markets, March 28, 1960).

FLOOD HURT TASMANIAN HOPS INDUSTRY

Hops production in Tasmania, where most of Australia's hops are grown, is expected to be greatly reduced in 1961 and 1962 because of heavy flood damage in late April. Since picking in Tasmania takes place in late March and early April, the flood probably did not hurt the 1960 crop much.

The flood destroyed hop poles, frames and trellises, damaged windbreaks and washed away top soil from 250 to 300 acres of Tasmania's total of 1,446 acres in hops. Many growers can not afford the cost of rehabilitation, and the Commonwealth Government has been asked to provide non-interest-bearing loans for that purpose.

Because of earlier damage by hail and dry weather, Tasmania's 1960 crop was estimated late in May at only 2.4 million pounds, compared with 3.4 million in 1959. Total Australian production in 1960 is estimated at 3.1 million pounds, about 30 percent less than the 1959 record of 4.1 million.

Breweries are expected to need about 4.5 million pounds this year, as beer production and consumption continue to rise. Because of the small crop and reduced carryover, Australian import needs in 1960-61 (July-June) will amount to about 1 million pounds. Since import restrictions, other than the tariff, were removed on February 22, 1960, U. S. hops should find a good market in Australia despite tariff advantages favoring Commonwealth sources. The duties are $4\frac{1}{2}$d. (9 cents) per pound on hops from the United Kingdom, 9d. (18 cents) from New Zealand and 12d. (24 cents) on hops from all other countries.

COMMUNIST CHINA PLANS NO GREAT INCREASE IN OILSEED ACREAGE

Mainland China plans no substantial acreage increase for oil-bearing crops this year, according to Communist press reports. However, a considerable increase in the production of fats and oils is apparently expected to be achieved by more efficient cultivation of oilseed crops.

Soybean acreage apparently will remain at the usual level in the principal producing areas but may increase slightly in other sections to meet local needs. There seems to be no effort to raise sesame acreage to prewar levels, but interplanting of this crop with other crops will be encouraged to boost production. In the case of peanuts, an acreage increase apparently is planned, especially in the principal producing areas, so that the 1958 or even the 1956 level may be reached.

A drive to grow more castor beans, sunflower seed, and other minor oilseeds on spare land around houses and along roads and streams has been renewed in both urban and rural areas. The drive seems to have been more successful than in past years. Emphasis is also being placed on expansion of irrigation facilities, integration of scattered plots into continous blocks for growing the same crop, and more widespread adoption of "advanced cultural techniques."

(For data on acreage and production of China's major oilseed crops see Foreign Crops and Markets, January 11, 1960.)

YUGOSLAVIA PLANNING FALL SOWING

Yugoslavia is planning earlier sowing of fall crops this year to avoid repetition of the late sowing last fall when exceptionally large corn and sugar beet crops, as well as drought in October, delayed planting.

About 2.5 million acres, or about one-half the total wheat area, will be sown to high-yielding wheat varieties, compared with 1.85 million a year earlier. Much more machinery and fertilizer will be used. Indications are that the planned production of breadgrains in 1960--4 million tons--will be achieved. If so, Yugoslavia in 1960-61 will need no wheat imports for the second consecutive year.

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